02/6



KENAI PENINSULA BOROUGH SCHOOL DISTRICT

DOCKET FILE COPY GRIGHAL

Information Services

Jim White, Director

148 North Binkley Street Soldotna, Alaska 99669-7553 Phone (907) 714-8808 Fax (907) 262-9645

jwhite@kpbsd.k12.ak.us

March 10, 2005

Letter of Appeal Schools and Libraries Division Box 125 – Correspondence Unit 80 South Jefferson Road Whippany, NJ 07981

From:

Jim White

Director, Information Services

Kenai Peninsula Borough School District

148 N. Binkley

Soldotna, AK 99669

(907)714-8808

Billed Entity Number = 145611

471 Application Number: 342027

Appealing Funding Request Number = 1112778

Ofice of referen

Funding Request Number information from Funding Commitment Decision Letter

Dated January 11, 2005 for (Funding year 2004: 07/01/2004 – 06/30/2005)

Dear SLD Appeal Board,

On behalf of the Kenai Peninsula Borough School District, I would like to appeal the SLD decision to reduce funding on FRN 1112778. The Funding Commitment Decision Explanation is "30% or more of this FRN includes a request for Edline which is an ineligible product (s) / service (s) based on program rules.

This letter provides further clarification regarding the eligibility of Edline and Edline's Web Hosting service based on program rules.

Edline as an Eligible Internet Service Provider (ISP)

On page 9 of the Year 7 Eligible Services list the SLD states that:

"Internet Service Providers for Internet Access need not be eligible telecommunications providers"

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RECEIVED & INSPECTED

AUG 5 2005

July 20, 2005

FCC - MAILROOM

Request for Review CC Docket No. 02-6 Federal Communications Commission Office of the Secretary 445 – 12th Street, SW Washington, DC 20554

From:
Jim White
Director, Information Services
Kenai Peninsula Borough School District
148 N. Binkley
Soldotna, AK 99669
(907)714-8808

Billed Entity Number = 145611 471 Application Number: 342027

jwhite@kpbsd.k12.ak.us

Appealing Funding Request Number = 1112778

RECEIVED & INSPECTED
AUG 5 2005
FCC - MAILROOM

In the Matter of:

Request for Review of the
Decision of the
Universal Service Administrator by

Kenai Peninsula Borough School District
Soldotna, AK

FRN: 1112778

Schools and Libraries Universal Service
Support Mechanism

CC Docket No. 02-6

To: Telecommunications Access Policy Division, Wireline Competition Bureau

REQUEST FOR REVIEW

The SLD rejected 2004 Funding Year request 1112778. The SLD's decision in regards to FRN 1112778 should be reversed because it rests on a blatant factual error.

Explanation from Administrator's Decision on Appeal – Funding Year 2004-2005 Dated May 31, 2005 for (Funding year 2004: 07/01/2004 – 06/30/2005)

Upon review of your appeal letter, and relevant supporting documentation that you submitted with your Form 471, it has been determined that your request includes Rediker Edline service. This web hosting service is designed as a platform for Rediker's line of School Administrative Software, and has been deemed ineligible per program rules.

Kenai Peninsula Borough School District ("School District"), by its representative, hereby requests that the Commission review the Decisions on Appeal of the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company in the above referenced matter and remand it to SLD for further processing.

I. FACTS

- 1. Edline LLC provides web hosting services for K12 schools.
- 2. Rediker Software, Inc., is a completely separate company that provides school administration software to K12 schools (the respective companies are not affiliates, have no shared ownership, or any other relationship other than comarketing).
- 3. Rediker Software, Inc. (as well as numerous other K12 technology companies) advise and recommend the use of Edline LLC for web hosting solutions because Rediker Software, Inc. does not provide web hosting solutions.
- 4. The School District does not even use any products or services provided by Rediker Software, Inc. This funding request involved no services or products provided by Rediker Software, Inc.
- 5. The SLD was confused by Rediker Software Inc. marketing materials (which the SLD must have encountered independently) and mistakenly identified Edline web hosting as a service offered by Rediker Software, Inc. ("Rediker Edline Service") designed for Rediker Software, Inc.
- 6. Mistakenly identifing Edline web hosting as a service offered by Rediker Software, Inc., is factually incorrect, and formed the erroneous basis for the SLD's rejection of The School District's funding request.

II. DISCUSSION

The SLD's Decision is Based on a Factual Error

In the initial appeal dated March 7, 2005, provided as exhibit 1, the School District provided an explanation of Edline and Edline web hosting service.

In response to this appeal the SLD determined that the School District's request included "Rediker Edline Service". That is incorrect and a factual error as there is no such product. Rediker Software, Inc. does not provide any Edline products or services.

The SLD also determined that the Edline web hosting service is designed as a platform for Rediker's student administrative software. That too is incorrect and a factual error. Edline is designed as web hosting service, a platform where schools and districts can publish web pages to their district, school, class, team and club websites. Edline was not designed for Rediker Software, Inc., nor was it designed for any other third party company or for any third party student information system. As it happens, Edline

provides the best website hosting solution (to publish web pages with school information) is recommended as the best of breed solution by Rediker Software, Inc., and many other companies.

Moreover, the School District does not use, own or license any Rediker Software products.

III. REQUESTED RELIEF

The School District requests that the FCC grant the School District's Request for Review and remand it to the SLD with instructions to continue processing the School District's Erate application, FRN #1112778.

IV. CONCLUSION

Reversal and remand for further processing is clearly the correct remedy in this circumstance because the SLD's decision is based on factual errors.

The School District respectfully requests that the Commission reverse the SLD's Decision on Appeal not to fund FRN 1112778 and remand the entire matter to the SLD with instructions to continue processing the School District's E-rate application, FRN #1112778.

Respectfully Submitted by

1.....

Kenai Peninsula Borough School District

By Jim White, Director of Technology

1. Edline is an Internet Service Provider (ISP) of Internet Access services (web hosting) even though Edline is not an eligible telecommunications provider.

Edline Web Hosting Services - Funding Year 2004 Eligibility

On page 9 of the Year 7 Eligible Services list the SLD states that:

"Under FCC rules, funding is available for Internet access that "[transmits] information as part of a gateway to an information service, where that transmission does not involve the generation or alteration of the content of information but may include data transmission, address translation, protocol conversion, billing management, introductory information content, and navigational systems that enable users to access information services that do not affect the presentation of such information services to users."

On page 12 the Year 7 Eligible Services list defines web hosting as follows:

"Web Hosting is an Internet service provided by an Internet Service Provider. The ISP will host a school or library's website (www.schoolname.org) as part of the ISP bundled service offering, or as an optional service. Web Hosting services that provide a means for a school or library to display content on the Internet is eligible for discount. However, eligibility is limited to the hosting service only, and not the creation or modification of content, which is not eligible. (Effective for Fund Year 2004 and later years.)"

- 1. Edline provides Web Hosting services to school districts. This service provides a means for Edline's school district customers to display content on the Internet.
- 2. Edline's customers pay for the right to establish their own Web sites and publish content to their Web sites on Edline servers that Edline owns, operates and maintains at Edline's data center.
- 3. Edline customers receive NO hardware (customer premises or dedicated), only the right to establish Web site(s) hosted on Edline's systems. NO hardware configuration is performed on a customer-specific basis. Edline is similar to services like Yahoo! Web Hosting in that the customer simply receives an account that enables it to create and maintain its Web site(s) hosted on the provider's systems, but the customer does not receive any customer-dedicated hardware infrastructure (servers, routers, etc.)
- 4. Edline's Web Hosting service includes a Web site and home page for every school, class, team, club, and committee in the Kenai Peninsula BSD, along with technical support (never sold separately).
- 5. Edline does not create or modify content for its customers, nor does Edline provide any hardware, configuration of routers (or any other equipment), graphic design, or other professional services.
- 6. For the sake of clarity, gradebook software and student data systems, as well as website creation software such Dreamweaver or Frontpage, are NOT provided by Edline as part of its web hosting service. NO content from such systems appears at Kenai's Edline websites unless Kenai actively publishes content from these systems to their Edline school or district websites. Similarly, no content will appear at classroom websites hosted by Edline unless teachers create and publish content themselves.
- 7. Therefore, in accordance with the Eligible Services List entry for "Web Hosting," Edline's Web Hosting Service is 100% eligible.

Appeals - SLD Guidelines for Review (from the SLD website)

When the appeal makes clear that the SLD erred in its initial review. If the SLD makes
a mistake (for example, denies funding because the request includes 30% or more of
ineligible services), and the appeal points out that mistake (demonstrates that all the
services were in fact eligible or that the cost of ineligible services was not included in
the original request), the SLD will grant the appeal.

Justification for Appeal

I believe that SLD has erred in its initial review as required to overturn on appeal. The SLD has no basis to reduce our funding on FRN 1112778. Edline appears to meet the qualifications as a web-hosting service.

I would respectfully request that you restore full funding as originally submitted:

Thank you for your consideration.

Sincerely,

Jim White

Director, Information Services

in White



Universal Service Administrative Company

Schools & Libraries Division

Administrator's Decision on Appeal – Funding Year 2004-2005

May 31, 2005

Jim White Kenai Peninsula Borough School District 148 North Binkley Street Soldotna, AK 99669-7553

Con Day, of

Re: Applicant Name:

KENAI PENINSULA BORO SCH DIST

Billed Entity Number:

145611

Form 471 Application Number: Funding Request Number(s):

406079 1112778

Your Correspondence Dated:

March 10, 2005

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of SLD's Funding Year 2004 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s):

1112778

Decision on Appeal:

Denied

Explanation:

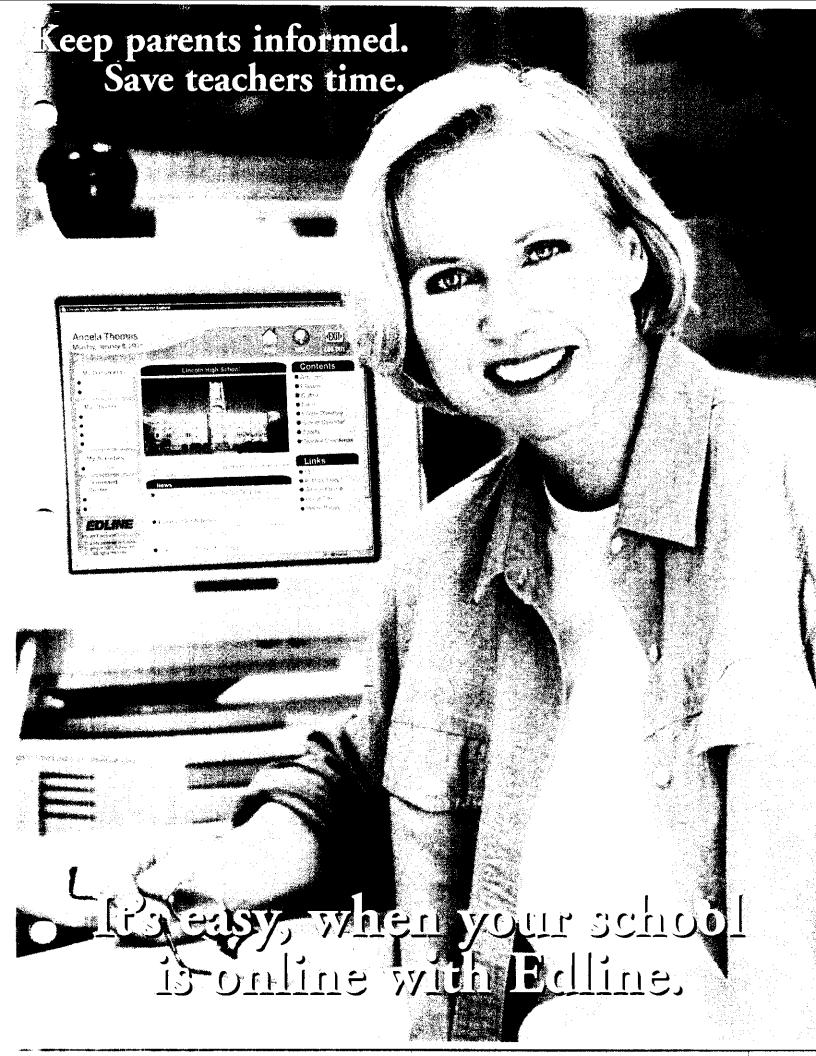
- In your appeal letter, you are appealing the SLD decision to deny FRN 1112778 because 30% or more of this FRN includes a request for Edline which is an ineligible product/service based on program rules. You have provided an explanation of Edline and Edline Web Hosting service and claim that you are not using ineligible components.
- Upon review of your appeal letter, and relevant supporting documentation that you submitted with your Form 471, it has been determined that your request includes Rediker Edline service. This web hosting service is designed as a platform for Rediker's line of School Administrative Software, and has been deemed ineligible per program rules.

Your Form 471 application included costs for the following ineligible products: Edline. FCC rules provide that discounts may be approved only for eligible products. 47 C.F.R. §§ 54.502, 54.503. The USAC web site contains a list of eligible products. See the web site, www.sl.universalservice.org, Eligible Services List. FCC rules require that if 30% or more of an applicant's funding request includes ineligible products, the funding request must be denied. 47 C.F.R. § 54.504(c)(1). 100% of your funding request was for ineligible products. Therefore, your funding request was denied. You did not demonstrate in your appeal that your request included less than 30% for ineligible products. Consequently, SLD denies your appeal.

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either the SLD or the FCC. For appeals that have been denied in full, partially approved, dismissed, or cancelled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division Universal Service Administrative Company



Improve parent-teacher communication

Edline provides a complete Internet platform that serves as your school's website or becomes a companion website. Easy to implement, Edline saves your teachers time, and enhances parent-teacher communication. Using your school's software, student information system, gradebook, and favorite desktop applications, Edline transforms your school's website into an extraordinary extension of your school, where visitors see only what you want them to see.

Communicate current information—Easily

With a few clicks, your staff posts or displays current grades, news, attendance, calendars, menus—whatever they want. There is no need for you, your staff or your teachers to recreate, reformat or retype information. It's easy to enter and display information on Edline. Choose whatever method suits your needs:

- · Type directly into Edline.
- Upload MS Word and other documents.
- . Use built-in "one-click" gradebook uploads.
- Cut and paste information.
- Generate reports from your administrative software.

Find important information-Fast

Edline's intuitive design securely presents relevant information, in context, so teachers, parents, and students easily find what they need to find—their classes, their activities, their assignments, and more—quickly!

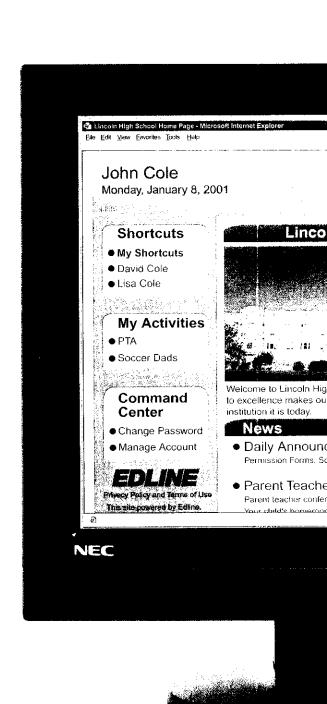
- As simple as MyYahoo! or AOL.
- Jump directly to key information.
- Available anytime over the Internet.

One password, one login

Edline manages user relationships so you don't have to. There are *no* multiple logins, only shortcuts to information.

- Parents login *once* and access information for *all* of their children, even those at different schools.
- Teachers login *once* to view and post information for *all* of their students and *all* of their classes.
- Administrators login once and see everything!





. "We have gotten nothing but raves from parents and students."

Paul Ott, Sherman Middle School, Holly, MI.

Effectively inform parents

With Edline, you'll minimize interruptive telephone requests and surprise midterm reports. Edline parents know what's going on everyday—from lunch menus to their child's latest exam scores.

Grades

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- Attendance
- · School News
- Class News
- · Assignments
- Calendars
- Menus and more...





Teachers learn quickly without help-—saving your technology staff time. After a short introduction, even computer novices quickly post current information, because using Edline is easy.

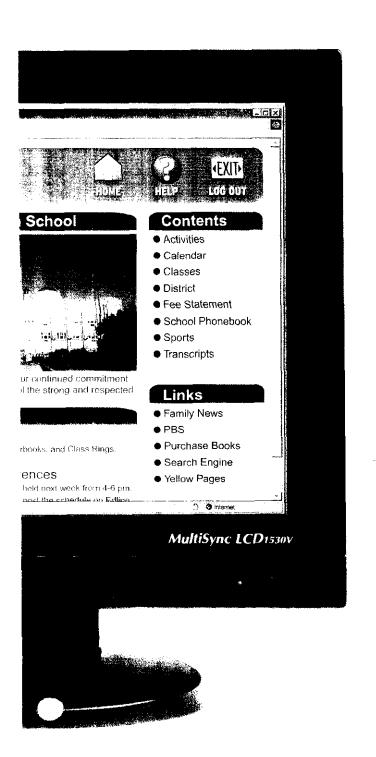
- Teachers use software they already know.
- Edline's "Quick Sync" wizard sets you up in 20 minutes.

And, though you may never need them, experienced support staff as well as detailed online guides make your experience even easier.

A secure place you control

Edline offers the most secure, protected and private environment possible. Edline authenticates every user and securely displays only the content, such as a student's current grades, that you want that user to see. You personalize your Edline site:

- · Show photos.
- · Link to other sites.
- · Create teacher-only areas.
- · Add pages for PTA, sports, and activities.
- · Support any number of buildings and users.
- · Let Fdline grow with your school.



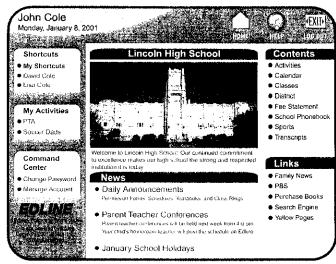
Finally, an online system that teachers actually use.

Imple

Parents like John Cole login once and get shortcuts to the important information for each of their children.

Private

Using unique logius and passwords, Edline authenticates every user and displays only what you permit them to see.



Parent view of school page.

Easy for teachers

Even computer novices are quickly posting secure grades, attendance, news, calendars and homework without help.

Secure

Edline protects sensitive information with managed firewalls and state-of-the-art encryption technology.

"We are definitely very, very happy...when talking to my contemporaries I strongly encourage them to get Edline."

Kip Petzrick, Principal, Fairfax Collegiate School, Annandale, VA.

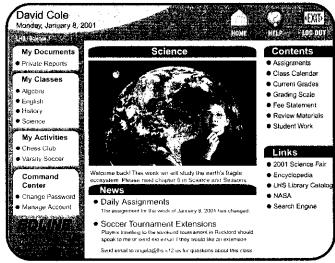
"As far as our teachers are concerned, Edline is the only way to go!"
Randy Cummings, Technology Coordinator, Portland Adventist Elementary School, Gresham, OR.

∡ntegrated

Edline works with existing SIS and gradebook systems. Edline's powerful "Quick Sync" feature eliminates duplication.

Convenient

Important information is only a click a way. Edline displays *only* the information your school wants each user to see.



Student view of science class page.

Current

Parents and students get instant access to current, detailed grade and attendance reports for all of their classes.

Helpful

Students can't "forget" their homework assignments, because parents know they can visit anytime and find them.

"I've been using Edline for over 2 years. It saves me time. I post grades, calendars, assignments, and more. Parents love it!"

Ron Farnsworth, Technology Coordinator and Teacher, North Ogden Junior High, Ogden, UT.

View information online

visit www.edline.com vatch www.edline.com/solutions/flash_demo.html



For more information

call 800.491.0010 Edline, Inc. 162 N. Franklin Street Chicago, IL 60606 P. 312.346.9900 F. 312.236.7251